

EWAY GLOBAL ACADEMY

Presents

ENT 211 ENTREPRENEURSHIP AND INNOVATION

TOPIC-BASED PRACTICE QUESTIONS AND ANSWERS FOR REVISION

ENTREPRENEURSHIP PROCESSES

There are seven basic stages which most people pass through before becoming entrepreneurs.

These stages include the following:

- 1. Motivation Stage:** This is the stage at which one is being driven by a force which is termed reason or reasons for starting a business.
- 2. Decision Stage:** The stage at which one agrees to determine to start the business.
- 3. Vision Stage:** This is the stage where the entrepreneur-to-be form in his mind where he wants to be or what he want to become with the business or where he want the business to be.
- 4. Mission Stage:** This is the stage where the entrepreneur-to-be forms the picture of what to do and how to do it in order to meet the vision.
- 5. Initial Resources Mobilization and Business Structuring Stage:** This is the stage where the entrepreneur-to-be gather some resources which are usually very few for low level businesses for the purpose of starting the business. It is also at this stage that he forms the structure for the business in readiness for starting.
- 6. Starting Stage:** This is the stage where the entrepreneur-to-be starts the business.
- 7. Running Stage:** The now “full entrepreneur” starts the running of the business. From this level if the business crosses all hurdles to succeed, the entrepreneur can run the business till his retirement or exit.

Practice Questions and Answers

- 1. ----- is where you form in your mind where you want to be or what you want to become with business or where you want your business to be?**
 - a. Motivation stage
 - b. Decision stage
 - c. Vision stage**
 - d. Mission stage
- 2 ----- is the first stage of an entrepreneurship process.**

a. Mission stage

b. Motivation stage

c. Vision stage

d. Decision stage

3. The stage at which one agrees to start a business is called _____ stage.

a. Motivation stage

b. Mission stage

c. Decision stage

d. Vision stage

4. There are stages of becoming an entrepreneur

a. Five

b. Four

c. Seven

d. Nine

5. The stage entrepreneur forms the practice of what to do and how to do it, to meet the vision _____.

a. decision stage

b. mission stage

c. vision stage

d. starting stage

TYPES AND NATURE OF BUSINESS

Entrepreneurship and business are not the same concept and do not connote the same thing. Business is an integral part of entrepreneurship. Entrepreneurship leads to business while business constitute the product of entrepreneurship. Entrepreneurship is a parent while business is an offspring.

Types of Business Organizations

There are six types of business organizations.

1. Sole proprietorship

2. Partnership

3. Joint Stock Companies or Corporation

4. Cooperative Society

5. Government Enterprises

6. Specialized Business

1. Sole Proprietorship

The business is owned and managed by a single person. It is also called a one man business or sole trader business. The sole trader will face unlimited liability for the business' debts.

2. Partnership

Partnership is a type of business owned by a group of between 2 and 20 individuals. This number can exceed 20 in the case of partnerships formed by some professionals like solicitors and accountants.

1. Small scale companies may be said to share the following except

- a. small size business
- b. **public private partnership**
- c. few employees
- d. small amount of investment

2. Type of business of a group of maximum 20 members is called

- a. franchise
- b. **partnership**
- c. limited liability
- d. unlimited liability

3. How many types of partnership do we have

- a. 5
- b. 4
- c. 2
- d. **3**

4. Which of these is not a profession?

- a. **clients**
- b. solicitors
- c. doctors
- d. accountants

5. Which of these is not among the correct one?

- a. general partnership
- b. limited partnership
- c. **unlimited partnership**

d. **sole partnership**

6. Which of these is NOT features of general partnership?

- a. authority
- b. **sole owner**
- c. personal liability
- d. formation

7. A business formed and incorporated as a legal entity by a group of people is called -----.

- a. **partnership**
- b. joint stock company
- c. limited by share
- d. limited by members

8. A company whose liability are limited to the share of the company by guarantee is called -----.

- a. **limited liability company**
- b. limited by incorporation
- c. limited by people
- d. limited by attendance

9. Liability extended beyond its member shares to the personal asset of the member is called -----.

- a. **unlimited liability company**
- b. limited liability company
- c. limited liability people
- d. unlimited shares

10. Company owned by private owners with shareholders not exceeding 50 is called -----.

- a. public company
- b. public/private company
- c. **private company**
- d. general company

11. CAC Affair Commission is an example of _____ .

- a. public company
- b. general company
- c. private company

d. **government enterprise**

12. Group of people who come together with a common interest to enjoy some mutual business benefits is called ----- .

a. **cooperative society**

b. limited share

c. incorporation

d. partnership

13. Then main changing instrument studying in the place of the constitution to every cooperative society is called -----.

a. passbook

b. **bye-law**

c. ledger

d. authority book

14. Which of these is not part of cooperative societies?

a. multipurpose

b. thrift

c. producers

d. **personal**

15. Which of these is NOT part of government enterprises?

a. marketing board

b. **consumer protection**

c. nationalized business

d. investment companies

16. An authority granted to individuals or business organizations to do business or render services in a stated area or route is called -----.

a. merchandise

b. **franchise**

c. partnership

d. nationalized business

17. Business that are not operated independently the way others are being operated is called -----.

a. franchise

b. joint business

c. **specialized business**

d. sole business

18. Cooperative society members started with member of _____.

- a. 5
- b. **10**
- c. 7
- d. 4

19. The investment companies policy is at which government level.

- a. **state**
- b. local government
- c. national
- d. regiment

FEASIBILITY STUDY AND BUSINESS MANAGEMENT

1, The following are factors you need to consider when choosing a business except -----.

- a. self factor
- b. business factor
- c. entrepreneurs factor
- d. **none of the above**

2. Feasibility study is the study that determines as assessment of_____.

- a. **Practicality of proposed plan**
- b. Running of business
- c. Managing of business
- d. Profit Making

MANAGEMENT OF SMALL BUSINESS

1. ----- is generally conceived as the use of human and non human resources to achieve efficiency and effectiveness.

- a. Entrepreneurship.
- b. **Management.**
- c. Leadership.
- d. Proprietorship

2. A good business manager in considering his staffing function will place priority on the following except.

a. Furnishing of staff.

- b. Necessary and adequate training.
- c. Satisfactory transfer and beneficiary promotion.
- d. Recruitment and selection of good staff.

3. _____ is the process of setting organizational goals and objectives to be achieved.

- a. Organizing
- b. Controlling
- c. Directing

d. Planning

4. _____ is the process of dividing the human, materials and financial resources into groups called department or units in a strategic way in order to achieve the organization goals.

- a. Motivation
- b. Controlling

c. Organizing

- d. Leading

5. _____ is known as the telescope view of what is to be done in the future.

- a. Decision making
- b. Budgeting
- c. Controlling

d. Planning

6. -----is the overseeing, guiding and supervising of junior employees in an organization.

- a. Organizing.

b. Directing.

- c. Controlling.
- d. Coordinating

7. The process by which a particular course of action out of many is chosen to solve problem

- a. Planning.

b. Decision making.

- c. Alternative course.
- d. Budgeting

8. The major managerial functions performed by management of any organization are_____

a. Planning, regulating, financing, Administration, performing, and leading

b. Planning, organizing, directing, controlling and coordinating

c. Planning, organizing, programming, communicating and influencing

d. Planning, financing, organizing, discussing and programming

9. _____is the process by which a manager ensures that the intended or desired results of the organization are achieved.

a. Controlling

b. Directing and Motivating

c. Staffing

d. Leading

10. Business involves the use of ----- and ----- resources towards the achievement of set goals and objectives'

a. Human and non-human

b. Material and non-material

c. Direct and indirect

d. All of the above

11. Managerial functions of organizational set-up includes the following except.

a. Planning.

b. Controlling.

c. Coordinating.

d. Replacing

12. To utilize the factors of production effectively,the activities of the enterprises must be carefully -----.

a. Managed

b. Planned

c. Determined

d. Established

13. ----- is the setting of objectives and designing of policies, programmes, procedures, strategies and ways to achieve these objectives.

a. Coordinating

b. Controlling

c. Directing

d. **Planning**

13. The management function simply summarized to be leadership is known as --.

- a. Organizing
- b. Controlling
- c. Coordinating
- d. **Directing**

14. The relative harmonization of all the efforts of employees, other organizational resources and activities for the achievement of a business goals is called -----.

- a. monitoring.
- b. **coordinating**
- c. planning
- d. leading

15. For the special role which coordination plays in business management, it is usually referred to as the -----.

- a. Centre of management
- b. Principle of management
- c. **Essence of management**
- d. All of the above

16. _____ is usually done by the management of business for the purpose of correction.

- a. Directing
- b. Coordinating
- c. Planning
- d. **Controlling**

17. A female who manages a business outfit is called -----.

- a. Personnel manageress
- b. Personnel manager
- c. **Manageress**
- d. Business Manager

ENTREPRENEURS' ROLES IN BUSINESS MANAGEMENT

1. The role of an entrepreneur in business management is to ensure that

- a. staff are well remunerated

- b. discipline where necessary
 - c. A & B
 - d. **All the functions of management are carried out well**
- 2. The skills, experience and knowledge an entrepreneur gained through formal and informal education can be supplemented through -----.**
- a. Research
 - b. **Seminar & Conferences**
 - c. Tutorial classes
 - d. All of the above

BUSINESS PERFORMANCE AND ITS MEASUREMENT

- 1. A business performance simply means _____ and it is usually measured through its -----.**
- a. **Achievement & Result**
 - b. Performance & Progress
 - c. Results & Achievement
 - d. B & C
- 2. The following sets of stakeholders are all users of business performance information except -----.**
- a. Competitors, The press, Business owners
 - b. The press, Government, Customers
 - c. **Laymen, Farmers, Carpenters**
 - d. None of the above
- 3. ---- is the relating of two or more items of the statement of account such as Profit and Loss account together in a proportion form to arrive at a figure which can be compared with target.**
- a. Comparative Analysis
 - b. System Analysis
 - c. **Ratio Analysis**
 - d. A&B
- 4. When a business performance is done just for the purposes of personal judgment and decision making it is known as --- .**
- a. Quantitative Analysis
 - b. Qualitative Analysis
 - c. **Non control**

d. All of the above

5. The following can seriously affects good business performance except

- a. Poor operation
- b. Poor management
- c. Effect of environmental factor
- d. **Good leadership**

6. Business performance information is used by the Government to check

- a. Money
- b. Fraudulent mangers
- c. **Tax purposes**
- d. Ability to repay

7. Customers who used business performance information are checking for

- a. Quality products
- b. Improved customer care services
- c. Supplies
- d. **Survival**

8. Business Management used business performance information to check for the following except

- a. Profitability, Survival, Control
- b. Profitability, Tax, Control
- c. Profitability, ability to pay loan
- d. **B & C**

9. Business performance simply means

- a. improvements of staff salaries
- b. punishing erring staffs
- c. **improvement of the actions and results of business**
- d. improvement of the quantity of the products

BUSINESS ETHICS AND SOCIAL RESPONSIBILITIES

1. ----- is referred to as moral principles or values generally governing the conduct of an individual.

- a. Character
- b. **Ethics**
- c. Honesty

- d. Integrity

2 Deviant and Conforming behaviour in business management is known as -----.

- a) **Ethics**
- b) Insults to customers
- c) Politeness
- d) Customer care services

3. Business ethics are moral principles that are _____ or _____ behaviour in business

- a. True or false
- b. Good or Bad
- c. **Right or Wrong**
- d. B & C

4. _____ are subject of the values held by the society as a whole.

- a. Customs
- b. Business culture
- c. Business norms
- d. **Business Ethics**

5. In the early part of the 20th Century, the mission of business was exclusively.

- a. Growth
- b. **Economic**
- c. Social Intensive
- d. Survival

6. _____ is the duties which a business is morally and ethically liable to carry out to positively influence the society within which it exists and operates.

- a. Ethical responsibility
- b. Economic responsibility
- c. Business responsibility
- d. **Social responsibility**

7. The following are areas of social responsibility of a business except ----.

- a. Environment
- b. Consumers
- c. Fair of business practices
- d. **The organization itself**

8. In terms of what the society, customers, government etc expects from business organization, the major categories of social responsibility to be considered are

- a. Consumers movement
- b. Community relation
- c. Green marketing
- d. **All of the above**

9. ---- refers to specific development pricing, promotion and distribution of products that are not harmful to the environment.

- a. **Green marketing**
- b. Less toxic products
- c. Consumers movement
- d. Durable products

10. Business organization who believes that government and not business, is the institution best suited for solving social problem are ----- .

- a. 21st Century Organization
- b. Technologically advanced organization
- c. **Living in the past**
- d. A & B

11. Provision of adequate compensation and opportunity for self-fulfilment such as health and safety is a social responsibility relating to -----.

- a. Environment
- b. Consumers
- c. **Human resources**
- d. Community

12. Social responsibility involves outright charity to society by contributing to development programs such as -----.

- a. Education
- b. Training
- c. Art and Culture
- d. **All of the above**